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**MEMORANDUM**

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TO: THE COMMISSION

FROM: Utilities Division

OPEN MEETING ITEM

2001 APR 17 A 10:45

DATE: April 16, 2001

AZ CORP COMMISSION  
DOCUMENT CONTROL

RE: IN THE MATTER OF THE APPLICATION OF VERIZON CALIFORNIA INC., F/K/A GTE CALIFORNIA, INC.-ARIZONA, FOR APPROVAL OF A INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT WITH REFLEX COMMUNICATIONS, INC. (DOCKET NOS. T-01846B-01-0194 AND T-03768A-01-0194)

On March 5, 2001, Verizon California, Inc., ("Verizon") f/k/a GTE California Inc.-Arizona, filed an application for approval of an Interconnection, Resale and Unbundling Agreement between Verizon, and Reflex Communications Inc. ("Reflex"). The term of the Agreement shall be effective upon Commission approval and remain in effect until January 15, 2003. Upon expiration, the Agreement shall remain in force and effect until terminated by either party on ninety (90) days written notice. The Agreement governs the terms and conditions under which Verizon will offer interconnection to Reflex.

The Telecommunications Act of 1996 ("1996 Act") directed incumbent local exchange carriers to make their networks available for interconnection and resale by new entrants to the local exchange market. The 1996 Act provides for interconnection and resale agreements to be concluded by voluntary negotiation. This Agreement between Verizon and Reflex was voluntarily negotiated, without resort to arbitration.

Under the terms of the Agreement, Verizon will provide specified local exchange services for Interconnection, Resale, Collocation and Unbundled Network Elements to Reflex. Generally, Verizon services will be made available to Reflex for resale at a 10.9 percent discount for resale services.

According to the 1996 Act and State Rule, the Commission must approve voluntarily negotiated interconnection and resale agreements if their provisions are non-discriminatory and in the public interest. Staff has reviewed the Agreement and finds it to be non-discriminatory and in the public interest. Verizon is offering the same terms and conditions of the Agreement to all other interested parties. The Agreement is in the public interest because it will act to further competition in the local exchange market in Arizona.

Arizona Corporation Commission

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THE COMMISSION

April 16, 2001

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Since there are no grounds for rejection of the Agreement pursuant to Section 252(e)(2)(A) of the 1996 Act, Staff recommends that the Commission approve the Interconnection Agreement between Verizon and Reflex.

A handwritten signature in black ink, appearing to read "Deborah R. Scott". The signature is fluid and cursive, with the first name being the most prominent.

Deborah R. Scott  
Director  
Utilities Division

DRS:EAA:jbc/MAS

ORIGINATOR: Erinn Andreasen

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 WILLIAM A. MUNDELL

Chairman

3 JIM IRVIN

Commissioner

4 MARC SPITZER

Commissioner

5  
6 IN THE MATTER OF THE APPLICATION )  
OF VERIZON, INC. F/K/A GTE CALIFORNIA, )  
7 INC -ARIZONA, FOR APPROVAL OF A )  
INTERCONNECTION, RESALE AND )  
8 UNBUNDLING AGREEMENT WITH )  
REFLEX COMUNICATIONS, INC. )

DOCKET NOS. T-01846B-01-0194  
T-03768A-01-0194

DECISION NO. \_\_\_\_\_

ORDER

9  
10 Open Meeting  
May 1 and 2, 2001  
11 Phoenix, Arizona

12 BY THE COMMISSION:

13 FINDINGS OF FACT

14 1. On March 5, 2001, Verizon California Inc. ("Verizon") f/k/a GTE California Inc.-  
15 Arizona, filed an application for approval of an Interconnection, Resale and Unbundling  
16 Agreement between Verizon, and Reflex Communications Inc. ("Reflex"). The term of the  
17 Agreement shall be effective upon Commission approval and remain in effect until January 15,  
18 2003. Upon expiration, the Agreement shall remain in force and effect until terminated by either  
19 party on ninety (90) days written notice. The Agreement governs the terms and conditions under  
20 which Verizon will offer interconnection to Reflex.

21 2. The Telecommunications Act of 1996 ("1996 Act"), directed incumbent local  
22 exchange carriers to make their networks available for interconnection and resale by new entrants  
23 to the local exchange market. The 1996 Act provides for interconnection and resale agreements to  
24 be concluded by voluntary negotiation.

25 3. This Agreement between Verizon and Reflex was voluntarily negotiated, without  
26 resort to arbitration.

27 4. Under the terms of the Agreement, Verizon will provide specified local exchange  
28 services for Interconnection, Resale, Collocation and Unbundled Network Elements to Reflex.

1 Generally, Verizon services will be made available to Reflex for resale at a 10.9 percent discount  
2 for resale services.

3 5. According to the 1996 Act and Commission Rule, the Commission must approve  
4 voluntarily negotiated interconnection and resale agreements, if their provisions are non-  
5 discriminatory and in the public interest.

6 6. Staff has reviewed the Agreement and finds it to be non-discriminatory and in the  
7 public interest. Verizon is offering the same terms and conditions of the Agreement to all other  
8 interested parties. The Agreement is in the public interest because it will act to further competition  
9 in the local exchange market in Arizona.

10 7. Since there are no grounds for rejection of the Agreement pursuant to Section  
11 252(e)(2)(A), of the 1996 Act, Staff has recommended that the Commission approve the  
12 Interconnection Agreement between Verizon and Reflex.

13 CONCLUSIONS OF LAW

14 1. Verizon is an Arizona public service corporation within the meaning of Article XV,  
15 Section 2, of the Arizona Constitution.

16 2. The Commission has jurisdiction over Reflex and over the subject matter of the  
17 Application.

18 3. The Commission, having reviewed the Application and Staff's Memorandum has  
19 determined that the Interconnection Agreement negotiated between Verizon and Reflex meets the  
20 requirements of Section 252(e)(2)(A) of the 1996 Act, which governs the approval of voluntarily-  
21 negotiated agreements and is in the public interest.

22 4. The Commission maintains jurisdiction over the subject matter of the Agreement  
23 and Amendments thereof, to the extent permitted pursuant to the powers granted the Commission  
24 by the Arizona Constitution, Statutes, Commission Rule, and the 1996 Act and the Rules  
25 promulgated thereunder.

26 ...

27 ...

28 ...

ORDER

IT IS THEREFORE ORDERED that the Commission hereby approves the Interconnection Agreement between Verizon and Reflex filed on March 5, 2001.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

**BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

CHAIRMAN

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_ day of \_\_\_\_\_, 2001.

BRIAN C. McNEIL  
Executive Secretary

DISSENT: \_\_\_\_\_

DRS:EAA:jbc/MAS

1 SERVICE LIST FOR: VERIZON CALIFORNIA, INC. AND REFLEX COMMUNICATIONS,  
2 INC.

3 DOCKET NOS. T-01846B-01-0194 AND T-03768A-01-0194

4 Ms. Jenny M. Wong  
5 Director Regulatory Affairs  
6 One GTE Place-CA500GC  
7 Thousand Oaks, California 91362-3811

8 Mr. Mark Phigler  
9 Reflex Communications, Inc.  
10 2121 North California Boulevard., Suite 240  
11 Walnut Creek, California 94596

12 Mr. Christopher C. Kempley  
13 Chief Counsel  
14 Arizona Corporation Commission  
15 1200 West Washington  
16 Phoenix, Arizona 85007

17 Ms. Deborah Scott  
18 Director, Utilities Division  
19 Arizona Corporation Commission  
20 1200 West Washington  
21 Phoenix, Arizona 85007